

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO  
SANTA FE DIVISION**

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**SECURITIES AND EXCHANGE COMMISSION,**

**Plaintiff,**

**v.**

**CHARLES R. KOKESH**

**Defendant.**

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**Civil Case No.: 6:09-cv-1021**

**FOURTH JOINT REPORT ON THE  
STATUS OF THE SETTLEMENT PROCESS**

Pursuant to the Court's Order of August 15, 2011 (Dkt. 27), Plaintiff Securities and Exchange Commission ("*Commission*") and Defendant Charles R. Kokesh file this Joint Report to apprise the Court of the status of the parties' settlement process.

**Summary of Relevant Litigation Events**

On December 14, 2010, the parties participated in settlement negotiations mediated by the Court. By the end of the mediation, the parties had agreed upon all the essential elements of a settlement and had agreed to a process wherein the settlement could be formally agreed. Mr. Kokesh agreed to submit a written offer of settlement along with a sworn financial statement to Commission counsel. Commission counsel agreed to recommend that the Commission accept the written settlement offer, assuming it mirrored the agreement reached in mediation and assuming Mr. Kokesh's sworn financial statement reflected representations he made regarding his financial condition during the mediation.

On joint motion of the parties, the Court issued an Order on January 5, 2011 (Dkt. 19) vacating all pretrial and trial settings in the case, pending settlement.

### **Status of Settlement Process**

The parties have agreed on the precise wording of the settlement papers and the precise amount of the Commission's monetary claims. As of this filing, Mr. Kokesh furnished the Commission with his notarized signatures on the conforming settlement papers. In addition, Mr. Kokesh produced a sworn financial statement dated March 18, 2011 and furnished the Commission with the financial statement's supporting documents and additional information in response to the Commission's follow up questions.

In the time since the parties' Third Joint Status Report, the parties have continued to wait for the Internal Revenue Service to furnish a copy of a tax return that Mr. Kokesh does not possess. Other than this remaining tax return, Mr. Kokesh has provided all of the necessary information and documents for Commission counsel to recommend the settlement to the Commission.

In view of the time it is continuing to take for the Internal Revenue Service to furnish the last remaining return, Commission counsel has proceeded with preparing its recommendation of acceptance of Mr. Kokesh's written settlement offer without waiting further for the Service. As of the date of this Fourth Status Report the recommendation papers have not been finalized. However, Commission counsel anticipates finalizing the recommendation and submitting it for review and Commission consideration by August 31, 2011.

Respectfully submitted,

DATED: August 17, 2011

/s/Timothy S. McCole

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For Defendant

### **CERTIFICATE OF SERVICE**

I hereby certify that on August 17, 2011, I electronically filed the foregoing document with the Clerk of the Court for the District of New Mexico, Santa Fe Division, by using the CM/ECF system which will send a notice of electronic filing to the following CM/ECF participants,

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Counsel for Defendant Charles R. Kokesh

/s/Timothy S. McCole

Timothy S. McCole